

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR BENCH, NAGPUR

BEFORE SHRI V. DURGA RAO, JUDICIAL MEMBER AND
SHRI K.M. ROY, ACCOUNTANT, MEMBER

ITA no.402/Nag./2024
(Assessment Year : N.A.)

Shikshan Prasarak Mandal
Godbole Plot, Dabki Road
Akola 444 002 PAN – AAJTS4487N

..... Appellant

v/s

Commissioner of Income Tax
Exemption, Pune

..... Respondent

Assessee by : Dr. Milind Bhusare
Revenue by : Shri Sandipkumar Salunke

Date of Hearing – 03/12/2024

Date of Order – 26/12/2024

ORDER

PER V. DURGA RAO, J.M.

This appeal by the assessee is against the impugned order dated 30/08/2023, passed by the learned Commissioner of Income Tax (Exemption), Pune [*learned CIT(E)*].

2. In its appeal, the assessee has raised following grounds:-

"1. The trust is established for the common object of education to public at large. The trust is running various granted and non-granted institutions, primary, secondary schools and granted, non-granted junior and senior colleges. All the documents of affiliations of institutions along with the documents of RTE, photos of activities of trust are uploaded in the reply given by the trust. But the Ld CIT (Exemption) rejected approval under sec 12A of income tax without verifying the documents and genuineness of activities of trust. The Ld CIT (Exemption) is not justified in rejecting the approval under sec 12A on the ground of non-genuineness of activities.

2. *The Ld. CIT (Exemption) taken ground for non-submission of reply for notice issued on 26/05/2023 when the reply along with all the documents submitted by the assessee trust on 09/06/2023. The reply was not considered by Ld CIT (Exemption) and notice served regarding non-submission on 31/07/2023. The reply along with all the documents again submitted on 04/08/2023 and 07/08/2023 along photos as proof of activities. The reply was not considered and approval rejected by Ld CIT (Exemption). Thus, the Ld. CIT (Exemption) is not justified on the grounds of non-submission of reply when reply was already submitted.*

3. *The donations received are properly accounted for by the trust. But the donations capital/revenue is the matter of assessment and this does not prove the genuineness of the activities of trust. The Ld CIT (Exemption) has not verified the activities and decided the non-transparency of activities only on the ground of specific revenue donations. which is not justified.. The Ld CIT (Exemption) is not justified in raising concerns on transparency of activities and rejecting approval under see 12A of Income Tax only on the basis donations when the activities are charitable and according to the trust deed and all the details of activities are already submitted.*

4. *Any other ground of appeal to be raised at the time of hearing with prior approval of the Hon'ble Authority."*

3. Before us, during the course of hearing, the learned Authorised Representative appearing for the assessee submitted that certain details were not filed before the learned CIT(E) which will help the assessee in establishing its case properly. Hence, the learned Authorised Representative prayed for granting one opportunity to enable him to substantiate its case properly before the learned CIT(E) by restoring the appeal to the file of the learned CIT(E).

4. The learned Departmental Representative supported the order passed by the learned CIT(E).

5. We have heard the rival arguments, perused the material available on record and gone through the orders of the authorities below. We find that the learned CIT(E) desired certain details from the assessee which were not filed. Therefore, in the interest of justice and by following the principles of natural

justice, we set aside the impugned order passed by the learned CIT(E) and restore the matter to his file for denovo adjudication on merit in accordance with law after considering all the details to be filed by the assessee. The assessee is also directed to comply with the directions of the learned CIT(E) promptly by adducing the evidences/documents as desired by the learned CIT(E). Thus, all the grounds raised by the assessee are allowed for statistical purposes.

6. In the result, appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open Court on 26/12/2024

Sd/-
K.M. ROY
ACCOUNTANT MEMBER

Sd/-
V. DURGA RAO
JUDICIAL MEMBER

NAGPUR, DATED: 26/12/2024

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The PCIT / CIT (Judicial);*
- (4) *The DR, ITAT, Nagpur; and*
- (5) *Guard file.*

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

Sr. Private Secretary
ITAT, Nagpur